

TARGETED JOBS WITHHOLDING ELIGIBILITY

Prior Law

A targeted jobs withholding tax credit is available for eligible businesses that operate in certain pilot project cities. These cities include Sioux City, Council Bluffs, Fort Madison, Burlington and Keokuk. Businesses enter into a withholding agreement with these cities, and three percent of the gross wages paid to employees covered under the withholding agreement are paid to the pilot project city and taken as a credit on the Iowa withholding tax return. Businesses eligible under this program include professional services, or industrial enterprise, including medical treatment facilities, manufacturing facilities, corporate headquarters, and research facilities. Businesses that operate a retail operation are not eligible under this program.

New Provisions

Businesses eligible for the targeted job withholding program now also include an enterprise located in Iowa that is operated for profit and under a single management. In addition, a business that is a government entity is not eligible for this program.

Section Amended

Section 1 of 2012 Iowa Acts Senate File 2212 amends section 403.19A, subsection 1, paragraph a, Code Supplement 2011.

Effective Date

July 1, 2012